

M. GALE LEMMON #4363  
Assistant Attorney General  
MARK L. SHURTLEFF #4666  
Attorney General  
Attorneys for Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, UT 84114  
Telephone (801) 538-3872

## BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF UTAH

**COMPLAINANT:**

UTAH INSURANCE DEPARTMENT

**RESPONDENT:**

AIG LIFE INSURANCE COMPANY

Attn: Bob McDonald, Executive Director,

Executive Support

USAA Life Insurance Company

9800 Fredericksburg Road

San Antonio, TX 78288MSN 4-AA

NAIC Identification No. 69663

**NOTICE OF INFORMAL  
ADJUDICATIVE PROCEEDING  
AND ORDER**

**Failure to Accurately Certify**

DOCKET No. 2006-016 LF

Enf. Case No. 1755

---

The Utah Insurance Department has commenced this informal adjudicative proceeding pursuant to Utah Code Annotated (U.C.A.) §§ 31A-2-101 and 63-46b-3 and Utah Administrative Code (U.A.C.) Rule R590-160. Based upon information contained in agency files or known to the Commissioner, the Commissioner makes the following:

### **FINDINGS OF FACT**

1. Respondent is an authorized life insurance company in the State of Utah.

2. Respondent submitted Utah Life Insurance Filing Certification (Certification) to the Commissioner, dated May 12, 2005, in connection with the filing of Respondent's form LUL50398ST 04-05, Universal Life Insurance Policy.

3. The Certification document disclosed that "Content Standards" for life insurance form filings were "available on the department web site, [www.insurance.utah.gov/Life\\_STM.html](http://www.insurance.utah.gov/Life_STM.html)."

4. Respondent's form LUL50398ST 04-05, Universal Life Insurance Policy, contained at least one provision that was not in compliance with the applicable Content Standard and at least two provisions that had already been disapproved by the Commissioner in one or more previous filings.

5. Respondent falsely certified on the Certification that the "CONTENT STANDARDS applicable to this filing have been reviewed and the filing is in compliance with applicable Content Standards" and that "Nothing in this filing has been prohibited or disapproved in previous filings."

Having entered his Findings of Fact, the Commissioner now enters his:

#### **CONCLUSIONS OF LAW**

In falsely certifying to the Commissioner that the filing was in compliance with applicable Content Standards and that the form contained no provisions previously prohibited or disapproved, Respondent violated U.C.A. 31A-2-202(6) and U.A.C. Rule R590-226-5(1).

Based upon the foregoing Findings of Fact and Conclusions of Law, the Commissioner now enters the following:

## **ORDER**

### **IT IS HEREBY ORDERED:**

1. Respondent shall pay an administrative forfeiture in the amount of \$1,500.00. Said forfeiture shall be paid no later than ten (10) days after the date this Order becomes final.
2. This Order shall become final fifteen (15) days after the date of mailing unless a written request for a hearing is received from the Respondent in the offices of the department prior to that date. A written request for a hearing shall be signed by the person making the request and shall state the basis for the relief requested.

## **NOTIFICATION**

If you request a hearing regarding this matter, the department will be represented by M. Gale Lemmon, Assistant Attorney General, State Office Building, Room 3110, Salt Lake City, Utah 84114, Telephone Number (801) 538-3800. Failure to request a hearing will be considered a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

You are further notified that a failure to obey an Order of the commissioner may subject you to further penalties, including forfeitures of up to \$5,000.00 per violation and the suspension or revocation of your license and the filing of an action to enforce this Order in District Court which may impose forfeitures of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

**Questions regarding this Adjudicative Proceeding should be directed to Randy Overstreet,**

at the Utah Insurance Department (801) 538-3040.

DATED THIS 7<sup>th</sup> day of March, 2006.

D. KENT MICHIE  
INSURANCE COMMISSIONER

A handwritten signature in black ink, appearing to read "Mark E. Kleinfeld", is written over a horizontal line.

MARK E. KLEINFELD, JD  
ADMINISTRATIVE LAW JUDGE  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84114  
Telephone (801) 538-3800

CERTIFICATE OF MAILING

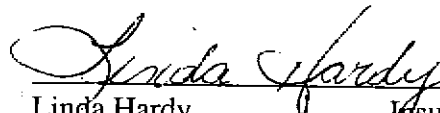
I do hereby certify that on this date I mailed, by regular mail, postage prepaid, a true and correct copy of the attached:

**NOTICE OF INFORMAL ADJUDICATIVE  
PROCEEDING & ORDER**  
Failure to Accurately Certify

To the following:

**AIG Life Insurance Company  
Attn: Bob Mc Donald  
USAA Life Insurance Company  
San Antonio, TX 78288MSN 4-AA**

DATED this 7<sup>th</sup> day of March, 2006

  
Linda Hardy Insurance Technician  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114-6901  
(801) 538-8138